



County of Los Angeles CHIEF EXECUTIVE OFFICE

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SACHI A. HAMAI
Interim Chief Executive Officer

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Fifth District

September 22, 2015

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

From: Sachi A. Hamai
Interim Chief Executive Officer

REPORT BACK ON THE NEW COUNTY DATA CENTER OPERATING COSTS (ITEM NO. 6, AGENDA OF AUGUST 11, 2015)

On August 11, 2015, the Board directed the Interim Chief Executive Officer (CEO) in consultation with the Director of Internal Services Department (ISD) to report back to the Board during the Supplemental Budget with a recommendation for centrally funding the operation costs of the new County Data Center, including the Data Center facility, utilities, network and computing infrastructure, security and the County's designated recovery sites.

Summary

The Interim Chief Executive Officer recommends central funding for the requested operations costs of the new County Data Center. Central funding will reduce the rates ISD charges to departments for data center services and in turn, remove cost as a perceived impediment to countywide data center consolidation to expedite that consolidation.

Central Data Center Costs

The anticipated contribution range is from \$14.8M to \$19.3M over the first six fiscal years of the new data center. The costs are composed of anticipated facility and utility estimates from the Gartner Corporation study of the new County data center and the

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current and future network, information security, data center management and recovery site estimates from ISD.

Central Data Center Costs Multi-Year	FY 17-18 *	FY18-19	FY 19-20	FY20-21	FY 21-22	FY22-23
County Data Center Facility	2,350,500	2,452,000	2,453,600	3,455,200	3,956,800	4,060,300
County Data Center Utility Cost	900,000	1,300,000	1,600,000	2,000,000	2,200,000	2,400,000
ISD Data Center Network & Management	5,025,166	5,125,669	5,228,182	5,332,746	5,439,401	5,548,189
ISD Data Center Security	3,665,452	3,885,380	4,118,502	4,365,613	4,627,549	4,905,202
ISD Data Center Recovery Sites	1,955,824	2,034,057	2,115,419	2,200,036	2,288,037	2,379,559
Downey Data Center Utility Cost	979,000	-	-	-	-	-
TOTALS	14,875,942	14,797,106	15,515,704	17,353,595	18,511,788	19,293,250

* assumes earliest possible move in date of the County Data Center using the lease option (July 2017)

ISD will continue to use rates to recover the costs of computing services in the County Data Center such as cloud hosting, server hosting and data storage. These rates are anticipated to decrease by up to 27% with the central funding of the County Data Center operating costs.

Central Funding Model

The new Data Center operating costs can be centrally funded by the CEO with an initial contribution of net County cost. As consolidation occurs the amount of contribution is anticipated to increase to cover the increasing operating costs due to growth. The costs of operating the new Data Center will be included in the Countywide Cost Allocation Plan annually to ensure costs are captured appropriately for claiming purposes.

If you have any questions regarding this report, please contact Jim Jones of my staff at (213) 974-8355, or Dave Chittenden of ISD at (323) 267-2103.

SAH:JJ:DC
DY:TT:CL:ef

c: Executive Officer, Board of Supervisors
County Counsel
ISD Board Deputies
Internal Services